

Minutes for Rule 21 Working Group Meeting 52
California Energy Commission, Sacramento
March 4, 2004

There were 28 working group members in attendance. The next meeting is scheduled for Fontana, hosted by SCE, on March 29, 2004.

Scott Tomashefsky, Chair

Attendees:

Werner Blumer	CPUC/ED	Robin Luke	RealEnergy
Tim Boucher	SCE	Dave Michel	CEC
Bill Brooks	Endecon Engineering	Randy Minnier	MPE Consulting
Petrina Burnham	SDG&E	Robert Patrick	Valley Air Solutions
Herb Clowers	Hess Microgen	Edan Prabhu	Reflective Energies
Chuck Collins	DER--DOE	Ed Quiroz	CPUC/ORCA
Bill Cook	SDG&E	Jim Ross	CAC/EPUC
George Coutts	SCE	Dara Salour	RCM Digesters
Chris Frye	Alternative Energy Inc.	Nora Sheriff	CAC/EPUC
Ed Grebel	SCE	Chuck Solt	Lindh & Assoc
Harold Hirsch	PG&E	Laurie ten Hope	CED
Mike Iammarino	SDG&E	Gerome Torribio	SCE
Karl Iliev	SDG&E	Dan Tunnicliff	SCE
Jerry Jackson	PG&E	Mohammad Vaziri	PG&E
Scott Lacy	SCE	Chuck Whitaker	Endecon Engineering
Ronald Lavorin	SCE	Leon Woods	World Water

During the meeting, the new DG OIR was discussed. Scott T has received word from the CPUC that the OIR will be announced "soon". The OIR should not impact with the Rule 21 revisions currently under development by the Working Group. It was also mentioned that the OIR will address Cost/Benefit.

Edan Prabhu made a request for each person to review and propose updates to the Action Item Matrix, and to send the updates to Edan. At the next meeting it is planned to review the Action Item List line by line.

Interconnection project status sheets were presented by each utility. An open action item is to try to come up with a standard reporting format for all three utilities. There was discussion about the adequacy of the project status sheets to provide the CEC with information for tracking projects under the CRS 3000 MW Cap.

The CEC exemption process went into operation on March 1 and the [CEC site](#) for tracking applications for CRS exemption is now up. The full process for tracking and aggregating applications is not yet fully functional, but some applications have already been received.

Hess Microgen and Chuck Whitaker reported on the progress of certification under Rule 21 for the Hess generator sets. They are now in final review and certification should be completed shortly.

At the last meeting, a cost/benefit analysis for the Rule 21 process was presented and comments requested. Several useful comments were received from Werner Blumer. Werner wanted to know if the study included all DG costs benefits. Edan said that the purpose of the report was to evaluate the cost effectiveness of the Focus II efforts by the CEC PIER Program and the Rule 21 effort, so the costs considered were those spent by the CEC PIER Program. The major benefit

that was evaluated was the significant decline in time between application and interconnection; these benefits accrue to the DG developer. There are several other costs and benefits from various perspectives, but those were not considered. PG&E indicated they will soon be commenting on the benefit/cost study.

CADER also presented a whole session on the Costs and Benefits of DG at the recent CADER conference in La Jolla. TK Saville wrote a White Paper on this subject for Working Group members to review. At the next meeting of Rule 21, TK hopes to get an indication of interest from parties with a view to forming a new interest group for addressing this issue. Scott indicated it is clearly not a Rule 21 topic, but many Work Group members may have an interest in this new interest group. EPRI's E2i also has an effort to evaluate costs and benefits of DG. E2i plans to evaluate costs and benefits from the perspectives of developer, user, utility, manufacturer, society et al.

Jerry Jackson indicated there would be technical revisions to the White Paper *PG&E Interconnection Requirements*. He also said the PG&E Interconnection Handbook "will be out shortly".

The revised Interconnection Application form was reviewed. The hottest topic in that review was the inclusion of language to inform the applicant that, if his project became inactive, after a period of time (12 months from completion of review), the application will be dropped and half of the fee returned. . Mike Iammarino will make the revisions and it will be available for review at the next meeting.

Review of the process portion of the revised rule was completed. There were a few changes. These will be incorporated into the compilation document and will be available at the next meeting. *Note from C. Solt: There are questions about the inclusion on PUC Code § 2827, 2827.8, 2827.9 and 2827.10. I am attempting to resolve them with Werner and Jerry Torribio.*

The technical group has completed adoption of the IEEE 1547 interconnection standard but is still not done with the review of the other technical section of the rule (Sections D, I & J).

New subjects for consideration by the group include 1) Development of an Export Screen and 2) Simplified Interconnection for Limited Export.

The target of the Working Group is still to complete the new document in late March so the utilities can submit it to the PUC in advice letters in April. The revised application form will be submitted a few weeks later.